

The G-20 Summit and Trump-Xi Meeting in Buenos Aires: Key Outcomes

December 4, 2018

Argentina hosted the annual [Group of 20](#) (G-20) summit on November 30 and December 1 in Buenos Aires. The G-20 is a forum for advancing international economic cooperation and coordination among 20 major economies, including the United States, that together account for about 85% of global economic output. In recent years, the G-20 has also increasingly become a forum for discussing pressing foreign policy issues. Although [Argentina set the agenda for 2018](#), proposing a focus on the future of work, infrastructure development, and food security, most attention in the lead-up to the summit focused on how the U.S. role in international forums would continue to evolve under the Trump Administration; the key commitments in the joint statement (communiqué), if one was produced at all (a challenge in other recent summits); and the bilateral side meeting between President Trump and Chinese President Xi Jinping.

U.S. Role at the G-20

Traditionally, the United States has played a strong leadership role at the G-20: the United States was instrumental in convening the G-20 leaders for the first time in 2008 and elevating the G-20 as the premier forum for international economic cooperation in the wake of the global financial crisis of 2008-2009. The role of the United States at the 2017 summit, the first attended by President Trump, was notably different, with the United States finding itself isolated on trade and climate change issues. Skeptics referred to the 2017 G-20 summit as the “[G19+1](#).”

This pattern has played out in other international forums over the past year. [The Trump Administration faced a “united front”](#) on trade and climate change at a summit with a small group of advanced economies, the Group of 7 (G-7), in June 2018 in Canada. At that summit, President Trump [unprecedentedly withdrew his initial support](#) for the G-7 communiqué. In early November 2018, leaders at the Asia-Pacific Economic Cooperation (APEC) summit in Papua New Guinea also, unusually, did not reach consensus on a communiqué, according to one analyst “[mainly because of the U.S. attitude](#).”

There was speculation that the G-20 summit would again put the United States at odds with other major economies. As with the 2017 summit, the United States and other G-20 countries were divided on approaches to trade and climate change, but reportedly formal talks proceeded without much friction and leaders reached agreement on a six page communiqué.

The Trump Administration’s trade agenda also dominated sideline meetings and events. President Trump, along with Mexican and Canadian leaders, signed the [United States-Mexico-Canada Agreement](#) (USMCA), a proposed successor to the North American Free Trade Agreement (NAFTA). President Trump also had a high-profile sideline meeting with President Xi to discuss escalated tariffs and trade tensions (discussed below).

[President Trump held bilateral meetings](#) with the leaders of Australia, India, and Japan, but canceled a formal meeting with Russian President Vladimir Putin, citing Russia’s recent naval clash with Ukraine. He also avoided meeting with Crown Prince Mohammed bin Salman of Saudi Arabia, who the [CIA](#)

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concluded ordered the killing of journalist Jamal Khashoggi. President Trump canceled a press conference scheduled for December 1 out of respect for former president George H.W. Bush, who died on November 30.

2018 Communiqué

Although leader-level talks were reportedly relatively smooth, behind-the-scenes negotiations over the [communiqué](#) were [reportedly most heated](#) over trade, migration, and climate change. The key agreements on these issues are as follows.

- **Trade.** The G-20 leaders agreed that the multilateral trading system is “falling short” of its objectives and committed to reform the [World Trade Organization \(WTO\)](#). Previous G-20 commitments to fight protectionism were not included.
- **Migration.** Leaders agreed that large refugee movements are a global concern, and emphasized the importance of a shared response to growing humanitarian needs.
- **Climate change.** The United States reiterated its decision to withdraw from the Paris Agreement, while the other 19 members reaffirmed their commitment to its full implementation.

Other issues addressed in the communiqué, with varying degrees of specificity, include economic growth, the digital economy, infrastructure, food security, gender equality, early childhood development, public health, the international financial institutions, the financial system, the tax system, the steel market, and anti-corruption and countering terrorism initiatives.

Trump-Xi Meeting

On December 1, at the end of the summit, Presidents Trump and Xi held a working dinner at which trade was a major topic of discussion. In August 2017, the [United States initiated a Section 301](#) investigation of China’s intellectual property and innovation policies and has subsequently increased tariffs in three stages on \$250 billion worth of products from China. President Trump has threatened to raise tariffs further on another \$267 billion worth of Chinese goods. China in turn has increased tariffs on \$110 billion worth of imported goods from the United States.

According to a [White House statement](#) following the Trump-Xi dinner, the two sides agreed to immediately begin negotiations on “structural changes” in regards to intellectual property and technology issues (related to the Section 301 case), along with agriculture and services, with the goal of achieving an agreement in 90 days. China reportedly agreed to make “very substantial” (though unspecified) purchases of U.S. agricultural, energy, and industrial products. President Trump agreed to suspend stage 3 Section 301 tariff rate increases (from 10% to 25%) that were planned to take effect on January 1, 2019, contingent on an agreement being reached in 90 days. President Xi also [reportedly agreed to reconsider](#)

[giving regulatory approval for a merger](#) between U.S. firm Qualcomm and Dutch semiconductor firm NXP due to Chinese antitrust provisions.

On December 2, [President Trump tweeted](#) that China had further agreed to “reduce and remove” its current 40% tariff on U.S. auto imports. It remains to be seen whether the two sides just agreed to a temporary truce by not implementing new tariff hikes or if they were able to achieve a broad consensus on a framework for resolving outstanding issues under the Section 301 case. On December 3, [U.S. Treasury Secretary Steven Mnuchin told CNBC](#) that China had made an “offer of over \$1.2 trillion in additional commitments. But the details of that still need to be negotiated. This is the first time that we have a commitment from them that this will be a real agreement.” The Chinese government has yet to confirm the White House’s readout of what was [agreed to at the meeting](#).

Some analysts have warned that a protracted trade dispute between the United States and China, including new rounds of bilateral tariff hikes, could damage commercial ties for years (even if an agreement is eventually reached), disrupt global supply chains, slow global economic growth, and weaken the multilateral trading system.

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